

STEAD AIR FORCE BASE

TOTAL ENVIRONMENTAL RESTORATION CONTRACTS

A SUCCESS STORY



*Removed UST is loaded onto
a truck for transport to a dis-
posal facility.*

TERC WORKS



Stead AFB is a Formerly Used Defense Site located ten miles northwest of Reno, Nevada. When the base was closed more than 25 years ago, the single and duplex military housing units were sold to private parties. The units had been heated with oil stored in underground storage tanks (USTs). The USACE Sacramento District was tasked to remove those tanks. The work scope involved the removal and disposal of 217 USTs, the preparation of a tank removal report for each UST removed, the collection and analysis of approximately 450 soil samples from locations where USTs were removed and from locations where USTs were previously closed in place, and landscaping at each of the 347 properties involved.

One month after the basic TERC was awarded, USACE issued the Scope of Work to the contractor. The contractor completed the project nine months later, in two-thirds the time normally required, despite numerous constraints:

- The TERC contractor could enter a property only after the owner had signed a right-of-entry. Often, access for equipment and personnel was limited to one-half of a duplex.

- Residents had to be notified in advance when work was going to occur on their property.

**\$600,000 saved
by using TERC
instead of fixed-
price contract.**

- All equipment had to be removed each evening and brought back the next morning.
- Since the streets were open to the public, extreme caution and traffic control were necessary at all times.

By any standard, this project was a tremendous success, substantiating that TERC is a cost-effective tool for environmental restoration work. Successes included the following:

- The USACE/TERC contractor team completed the project 30 percent under the originally negotiated budget, saving nearly \$600,000. This savings to the government would have been a profit to the contractor if the work had been done under a fixed-price contract.
- Through partnering and a teamwork approach with the County Health Department, “on-the-spot” agreements regarding field sampling locations reduced the number of samples by over 50 percent. Resulting cost and schedule savings were significant.
- The use of TERC versus the traditional fixed-price approach reduced the schedule by at least one-third. TERC flexibility enabled managers to respond to changing field conditions, right-of-entry delays, and unexpected scope increases.
- No accidents occurred and no work days were lost.
- The USACE/TERC contractor team used small businesses for 90 percent of the subcontracted work, substantially exceeding the 50 percent target.
- The project was completed with essentially no complaints from the homeowners and with positive recognition from the Nevada regulatory agency.

**Partnering
with regulators
reduced samples
by over
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SACRAMENTO DISTRICT

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